

Katharine D. Kennedy  
UNIQUE FOODS  
June 14, 2006

Federal Trade Commission/Office of the Secretary, Room H-135 (Annex W)  
Re: Business Opportunity Rule, R511993  
600 Pennsylvania Avenue, NW  
Washington, DC 20580  
RE: Business Opportunity Rule, R511993

Dear Sir or Madam:

I am writing this letter because I am concerned about the **proposed Business Opportunity Rule R511993**. I believe that in its present form, it could prevent me, from continuing as an Independent Sunrider Distributor. I understand and appreciate that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," but some of the sections in the proposed rule will make it very difficult if not impossible for me to sell Sunrider products.

I do not have the mind of a lawyer regarding it seems that sections of this proposed rule, the seven-day waiting period to enroll new Distributors, is burdensome and limiting and it would put doubt in the mind of the person I have interested, in my credibility and the credibility of the company I represent. **Sunrider's Starter Pack** costs only \$140, and is not a mandatory purchase in order to become an Independent Sunrider Distributor. People buy TVs, cars, boats, at any store and other items that cost much more than that and they do not have to wait seven days and since people all know this I would think that it would make them wonder why would the company I represent be so confined. This waiting period gives the impression that there might be something wrong with the plan. I also think this seven-day waiting period is unnecessary because Sunrider already has a generous 60-day return policy for existing Distributors that is applicable to all products, including the Sunrider® Starter Pack. Sunrider also has a 90% buyback policy for former Distributors applicable to all products purchased within the last twelve months. Another problem with the seven-day waiting period is the administrative burden of keeping very detailed records when I first speak to someone about Sunrider, and then having to send numerous reports to Sunrider headquarters. Most probably I would need to hire a secretary just to keep track of all this that would be to expense for new distributors just starting out in business.

The proposed rule also calls for the release of **any** information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. I have never been in litigation if that is what it refers to, and if it is referring to Sunrider, doesn't it matter if the company was found innocent. Today, anyone or any company can be sued for almost anything. It does not make sense to me that I would have to disclose these lawsuits unless Sunrider is found **guilty**. Otherwise, Sunrider and I are put at an unfair advantage even though Sunrider has done **nothing** wrong.

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. I am glad to provide references but I in all good conscience could not give out personal information on any consumer or customer I have as identity theft is rampant. I don't think any of them would approve their name or info being given to a stranger. In addition, giving away this information could damage the business relationship of the references who may be involved in other companies or businesses including those of competitors. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to Sunrider headquarters and then wait for the list. I also think the following sentence required by the proposed rule will prevent many people from wanting to sign up as my salesperson: "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." People are very concerned about their privacy and identity theft so I cannot imagine their not being very reluctant to share their personal information with individuals they may have never met!

I have been an Independent Sunrider Distributor for more than 14 years. Originally, I became a Distributor of Sunrider's products because I like them and wanted to earn some additional money. Now I depend on this extra income to supplement my budget.

I appreciate the work of the FTC to protect consumers, but I believe this proposed new rule has many unintended consequences and that there are alternatives available in achieving your goals. So please consider my written response and research these other alternatives that will not take away my freedom to do what I deem a wonderful business.

Thank you for your time in considering my comments.

Sincerely,

Katharine D. Kennedy